

News Release

Senator Pete V. Domenici

FOR IMMEDIATE RELEASE

MAY 9, 2000

DOMENICI RENEWS ACTION TO END N.M. BONDING REQUIREMENT ON WIPP

New Amendment Unequivocal in Protecting WIPP Impact Funding

WASHINGTON -- U.S. Senator Pete Domenici today launched a renewed effort to end New Mexico's bonding requirement on the Waste Isolation Pilot Plant, an action that has put the state's impact assistance funding and subsequent road improvements on hold.

The Senate Appropriations Committee that today accepted a Domenici amendment to prohibit states from setting bonding requirements on federal projects. Unlike his legislative effort that became law last fall, this amendment would specifically stop the New Mexico Environment Department's past, or future, efforts to require a bond from the Department of Energy for the eventual closing of WIPP in decades to come.

Eliminating the bonding requirement, Domenici said, should free the DOE to release the federal impact aid funds on which New Mexico is relying to improve roadways and bypasses on the routes to WIPP.

"This amendment makes unequivocally clear to everyone that a financial requirement cannot be forced on WIPP, which is already backed by the full faith and credit of the United States government," Domenici said. "The federal government will, by law, meet its responsibilities to provide for the safe operation, maintenance and closure of WIPP. I hope we get this provision signed into law as soon as possible and stop this unnecessary action by the New Mexico Environment Department."

The Domenici amendment is part of a non-defense emergency supplemental funding package added to the FY2001 Agriculture Appropriations Bill. The entire package will now be considered by the full Senate.

The Domenici amendment specifically prohibits New Mexico or any other entity from imposing bonding requirements on WIPP. The amendment is written so as to make it abundantly clear to state officials in New Mexico that this includes the existing requirements placed on WIPP.

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Last October, the New Mexico Environment Department issued a hazardous waste permit to allow WIPP to begin receiving shipments of transuranic waste that also contain chemicals. The permit required WIPP operators to obtain “financial assurance” bonds to cover the costs of eventually closing the repository near Carlsbad. To meet that bonding requirement, DOE is using the \$20 million in impact assistance given annually to New Mexico for hosting WIPP.

Since 1996, New Mexico has received \$20 million annually in impact assistance for WIPP-related preparations, including bypass and highway construction and emergency preparedness activities. The federal government’s responsibilities on WIPP operations, maintenance, and closure are outlined in the 1992 WIPP Land Withdrawal Act.

The following is the legislative text of the Domenici amendment approved by the Senate Appropriations Committee:

“Sec.3104. Funds appropriated in this or any other Act and hereafter may not be used to pay on behalf of the United States or a contractor or subcontractor of the United States for posting a bond or fulfilling any other financial responsibility requirement relating to closure or post-closure care and monitoring of the Waste Isolation Pilot Plant. The State of New Mexico or any other entity may not enforce against the United States or contractor or subcontractor of the United States, in this or any subsequent fiscal year, a requirement to post bond or any other financial responsibility requirement relating to closure or post-closure care and monitoring of the Waste Isolation Pilot Plant. Any financial responsibility requirement in a permit or license for the Waste Isolation Pilot Plant on the date of enactment of this section may not be enforced against the United States or its contractors or subcontractors at the Plant.”

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